

FTS/49278/15

Speed Post

F.No. 16-38/2012-TEL
Government of India
Ministry of Human Resource Development
Department of Higher Education
(TEL Division)

216-D, Shastri Bhawan,
New Delhi, dated Dated 14.09.2015

Prof. Kannan M. Moudgalya
Department of Chemical Engineering
Indian Institute of Technology, Bombay
Powai, Mumbai-400076

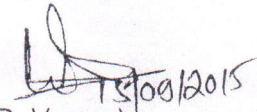
17/9

Subject: E-Contents as Tutorials for familiarizing People about Pradhan Mantri Suraksha Bima Yojana, the Pradhan Mantri Jeevan Jyoti Bima Yojana and Opening of a Saving Bank Account-reg.

Sir,

I am directed to say that 'Spoken Tutorial' developed by IIT Bombay were forwarded to department of Financial Services, Ministry of Finance for vetting. In response this Department of Finance Service, Ministry of Finance vide their O.M. No. 14017/31/2015-Ins.II dated 31.08.2015 (copy enclosed) has forwarded a list of suggestions with respect to the resource material, which are being forwarded for taking necessary action.

Yours faithfully,


(K. D. Verma)
Under Secretary
Tel: 011-23073582

Encl.: As Above

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FIS No/29439
Date 08/09/15

F. No. 14017/31/2015-Ins.II
Govt. of India
Ministry of Finance
Department of Financial Services

2nd Floor, Jeevan Deep Building,
Sansad Marg,
New Delhi-110001.
Dated: 31.8.2015

OFFICE MEMORANDUM

Sub: E-contents as Tutorials for familiarizing People about PMSBY & PMJJBY and Opening of a Saving Bank Account- reg.

The undersigned is directed to refer to Ministry of Human Resource Development, Department of Higher Education DO No. 16-38/2012-TEL dated 21.08.2015 on the subject cited above and to enclose a list of suggestions with respect to the resources material, as per Annexure for doing the needful.

2. This is issued with the approval of Additional Secretary (FS).

Encl: As above.

(A.K. Misra)

Under Secretary to the Government of India
Tel: 011-23748789

JST(EL) 10/9

Ministry of Human Resource Development,
Shri Vinay Sheel Oberoi, Secretary,
Department of Higher Education,
128-C, Shastri Bhawan
New Delhi.

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Opening a Savings Bank Account:

- Instead of talking on behalf of SBI the tutorial should talk in general terms while referring to a Bank.

Pradhan Mantri Jeevan Jyoti Bima Yojana:

- Instead of referring to a **Savings bank account** an individual bank account may be referred to in the tutorial.
- ✓ Instead of using the term "for short" while referring to the abbreviation of the scheme's name "in short" may be used.
- ✓ While talking about the premium we may not discuss its appropriation. However, if we must, then the correct appropriation is Rs.289/- per annum per member towards Insurance Premium, Rs.30/- per annum per member for commission / reimbursement of expenses to BC/Micro/Corporate/Agent and Rs.11/- per annum per member towards reimbursement of Administrative expenses to participating Bank.
- ✓ It may be highlighted that no Service tax is payable on this scheme.
- ✓ The scheme is administered by a Life Insurance Company in partnership with a Bank and not by a Bank alone.
- It would not be correct to say that no medical examination is required for enrolment in this scheme. It may be highlighted that subscribers who enrol within the specified period i.e. by 30.09.2015 may do so without submitting a declaration of good health.
- ✓ The beneficiary of a claim should be clarified as a nominee (or appointee guardian in case of a minor nominee) or a legal heir in case no nomination is made.
- ✓ The cover period may be referred to as "from 1st June to 31st May" and not 'between 1st June to 31st May'.
- ✓ The conditions for termination of cover have not been mentioned correctly and should be as under:
 - The assurance on the life of the member shall terminate / be restricted accordingly on any of the following events:
 - ✓ a) On attaining age 55 years (age near birth day), subject to annual renewal up to that date (entry, however, will not be possible beyond the age of 50 years).
 - ✓ b) Closure of account with the Bank (which will prevent renewal) or insufficiency of balance to keep the insurance in force.
 - ✓ c) In case a member is covered through more than one account and premium is received by LIC / insurance company inadvertently, insurance cover will be restricted to Rs. 2 Lakh and the premium shall be liable to be forfeited.

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- There is no grace period of 30 days for paying the premium. However, if the subscriber enrolls and gives the auto debit instruction, then cover will start from the stipulated time subject to eligibility and availability of funds in the account.
- Instead of stating that in case a subscriber pays premium through more than one bank account his premium will be forfeited and no claims will be paid it may be highlighted that in case a member is covered through more than one account and premium is received by the insurance company / companies, insurance cover will be restricted to Rs. 2 Lakh, as per first subscription and the premium paid through subsequent subscriptions shall be liable to be forfeited.
- The form displayed should be generic and not of a particular Bank / Insurance Company.
- The form has to be filled / signed by the subscriber who wishes to be enrolled under the scheme and cannot be submitted for enrolment of a relative.
- The subscriber's signature is shown at wrong place in the form.
- Unlike what is mentioned in the tutorial, no policy document will be issued to the individual subscriber and he / she has to keep the acknowledgement receipt of the enrolment form carefully and show it to the Bank at the time of claim.
- The statement that **this is how we can join PMJJBY and ensure that we and our loved ones are covered under this policy** may be rephrased as **this is how we can join PMJJBY and ensure that our loved ones are secured through this policy.**

Pradhan Mantri Suraksha Bima Yojana:

- Instead of referring to a **Savings bank account** an **individual bank account** may be referred to in the tutorial.
- Instead of using the term "for short" while referring to the abbreviation of the scheme's name "in short" may be used.
- This scheme is an **accident insurance scheme** and **not an accident death insurance scheme** as mentioned in the tutorial.
- The benefits of the scheme are **not only death benefits** and have not been mentioned correctly in the tutorial.
- The Benefits of this scheme are as per the following table:

	Table of Benefits	Sum Insured
a.	Accidental Death	Rs. 2 Lakh
b.	Total and irrecoverable loss of both eyes or loss of use of both hands or feet or loss of sight of one eye and loss of use of hand or foot due to accident.	Rs. 2 Lakh
c.	Total and irrecoverable loss of sight of one eye or loss of use of one hand or foot due to accident.	Rs. 1 Lakh

- While talking about the premium we may not discuss its appropriation. However, if we must, then the correct appropriation is Rs. 10/- per annum per member towards Insurance Premium, Rs. 1/- per annum per member for commission / reimbursement of expenses to BC/Micro/Corporate/Agent and Rs. 1/- per annum per member towards reimbursement of Administrative expenses to participating Bank.
- It may be highlighted that no Service tax is payable on this scheme.
- The scheme is administered by a General Insurance Company in partnership with a Bank and not by a Bank alone.
- There is NO income tax benefit available against premium paid for Personal Accident insurance so it would be confusing to say that I. Tax exemption is as per IT laws in India.
- In one of the slides of the tutorial it has been mentioned **Eligibility of PMJJB** instead of **Eligibility of PMSBY**.
- The conditions for termination of cover have not been mentioned correctly and should be as under:

The accident cover of the member shall terminate / be restricted accordingly on any of the following events:

- On attaining age 70 years (age neared birth day).
- Closure of account with the Bank (which will prevent renewal) or insufficiency of balance to keep the insurance in force.
- In case a member is covered through more than one account and premium is received by the insurance company inadvertently, insurance cover will be restricted to one account and the premium shall be liable to be forfeited.
- There is no grace period of 30 days for paying the premium. However, if the subscriber enrolls and gives the auto debit instruction, then cover will start from the stipulated time subject to eligibility and availability of funds in the account.
- Instead of stating that in case a subscriber pays premium through more than one bank account his premium will be forfeited and no claims will be paid it may be highlighted that in case a member is covered through more than one account and premium is received by the insurance company inadvertently, insurance cover will be restricted to Rs. 2 Lakh and the premium shall be liable to be forfeited.
- The form displayed should be generic and not of a particular Bank / Insurance Company.
- The form has to be filled / signed by the subscriber who wishes to be enrolled under the scheme and cannot be submitted for enrolment of a relative.
- Unlike what is mentioned in the tutorial, no policy document will be issued to the individual subscriber and he / she has to keep the acknowledgement receipt of the enrolment form carefully and show it to the Bank at the time of claim.